

Office of Consumer Information and Insurance Oversight

**State Planning and Establishment Grants for the
Affordable Care Act's Exchanges**

Reporting Templates

Quarterly Project Reports

Date: July 15, 2011

State: Arizona

Project Title: State Planning & Establishment Grants for the Affordable Care Act's Exchanges

Project Quarter Reporting Period: Q3 4/1/2011-6/30/2011

Example:

Quarter 1 (09/30/2010-12/31/2010): Due January 31, 2011

Quarter 2 (1/1/2011-3/31/2011): Due April 15, 2011

Quarter 3 (4/1/2011-6/30/2011): Due July 15, 2011

Quarter 4 (7/1/2011-9/29/2011): Due October 14, 2011

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Website (if applicable): <http://www.azgovernor.gov/hix>

Award number: HBEIE100011-01-00

Date submitted: 9/29/2010

Project Summary

Please provide a narrative description (about 5-10 sentences) describing your progress so far in planning activities under each core area. We would like to know what activities you have undertaken to date and what you plan to undertake in the next quarter. Please refer to the Reference section at the end of this template for some examples of what you could include under each core area.

Core Areas

• Background Research

Arizona has completed its background research on the size and scope of both the individual and small group insurance market. The research also detailed the demographics of the uninsured in Arizona. Peter Burns, Burns and Associates were retained to perform the research. The report and supporting documentation has been uploaded to the Arizona Exchange website <http://www.azgovernor.gov/hix>.

The report details how Arizona residents receive insurance coverage, including enrolment in AHCCCS, employer sponsored insurance, non-group coverage, Medicare, Military and the uninsured. The research looks at both the eligible population for enrolment through the Exchange and the expected participation rate by public programs, individual and family coverage and the SHOP Exchange. The report estimates the following numbers of eligible participants for the Individual, AHCCCS and SHOP Exchange:

	Eligible	Participants
Individual Exchange	621,000	479,000
AHCCCS	431,000	247,000
SHOP Exchange	1,822,000	510,000

This research will be incorporated into our planning for the website to ensure that the IT infrastructure is scalable to handle this level of volume over time. This information will be used in working with the health plans to induce them to apply to be qualified health plans in the Exchange.

• Stakeholder Involvement

Exchange staff continues to meet with key stakeholders on an individual basis including health insurers, health insurance brokers, advocacy groups, provider groups and community health centers regarding Exchange design and operational issues. Don Hughes, the Governor's Special Advisor for Healthcare Innovation spoke to the Greater Phoenix Association of Health Underwriters, The Tucson Association of Health Underwriters, the Arizona Pharmacy Student Academy, the Healthy Children Coalition, the Kids Health Link Coalition and the Arizona Chamber of Commerce Executive Directors Association.

The following work groups on key core functions have been formed:

- Health Plan Work Group
- Health Brokers and Agents
- Tribal Work Group
- IT Infrastructure

Each work group is actively meeting and discussing the key design and operational issues in their areas. There will be additional work groups formed on the navigator program and on public education and outreach. The health plan work group is lead by the Department of Insurance and is focused on the plan management requirements including certification, risk adjustment and reinsurance and quality ratings. The health brokers and agents work group is concentrating on broker licensing and compensation issues and will have input into the design of the website. The tribal work group is developing outreach and education plans specific to the 22 federally recognized tribes in Arizona.

To gather additional information and provide for a more structured opportunity for stakeholder input, Arizona designed and distributed a questionnaire on Exchange design and operational issues. The questionnaire and results are available on the Exchange website <http://www.azgovernor.gov/hix> and the results are updated monthly.

- **Program Integration**

Internal meetings with AHCCCS, the Department of Insurance, the Department of Economic Security and the Governor's office continue to be held to discuss key Exchange design and operational issues. Regular meetings of this internal leadership group are held to discuss and make recommendations on the IT infrastructure requirements and options. Subgroups will be formed to develop the details of the design, procurement process, project budget including cost allocation, call center and plan management.

As part of the gap analysis being performed by the Department of Insurance, it will include recommendations on how to integrate the Department's existing procedures into the Exchange and what role the Department will play in performing Exchange core functions.

- **Resources & Capabilities**

Linda Skinner has been brought on board as Director, Healthcare Innovation Management. She is currently the Assistant Director, Member Services at AHCCCS and has expertise in eligibility, enrolment and project management. In her new role, Linda will become the project manager for the Exchange IT infrastructure and will coordinate all IT work groups, develop an RFI and an RFP. She will split her time between Medicaid related IT and eligibility projects and the Exchange. Additional AHCCCS may be utilized to develop the RFI and to analyze the upcoming Exchange Rules package.

While the IT Gap Analysis has been completed, a separate vendor has been retained to validate the assumptions, costs and recommendations contained in the Analysis. This work is expected to be completed by the end of July 2011. It will confirm which IT option Arizona decides to proceed with.

The Department of Insurance has extended its consulting contract with Mercer Government Human Services through the end of the calendar year to ensure there is continuity of work and the planning process does not slow down. The extension will not require additional resources at this time. The Gap Analysis will lay out resource needs for the Establishment Grant including staff, consultants and computer and telephone systems upgrades.

- **Governance**

While legislation establishing a state run Exchange was introduced in the recently concluded legislative session, neither of the two bills were enacted into law. There remain a significant number of Republican legislators that are opposed to implementing any component of the Affordable Care Act.

Through the established work groups and meetings with other stakeholders, the Governor's office continues to research and consult on the proper governance model for an Arizona Exchange. The Governor's legal counsel is researching options for establishing an Exchange

**STATE PLANNING AND ESTABLISHMENT GRANTS FOR THE AFFORDABLE CARE ACT'S EXCHANGES
REPORTING TEMPLATES**

OMB #0938-1101

that can comply with federal requirements without legislation authorizing or establishing an Exchange. While no decisions have been made, it appears that Arizona will continue to perform the necessary planning and initial start up work through the Governor's office. This approach will allow us to determine exactly what legislation authorization is required and when legislation is needed.

- **Finance**

Because the Exchange is continuing to be run out of the Governor's office, financial management of the Exchange planning grant and the establishment grant will continue to be handled by the Governor's Office accounting division. Regular internal meetings are held between the Exchange staff and the accounting staff to ensure that Exchange planning funds are being properly accounted for in accordance with generally accepted accounting procedures and practices.

- **Technical Infrastructure**

The Exchange contracted with AHCCCS to perform the required IT Gap Analysis to determine what resources the Arizona possesses that could be utilized by the Exchange, what the requirements of the ACA are and lay out options, timelines and projected costs for an Arizona Exchange to be in compliance. Social Interests Solutions performed the IT Gap Analysis. The report has been sent to CCIIO and posted to the Exchange website:

<http://www.azgovernor.gov/hix>.

The IT Gap Analysis lays out the following five options, their costs, technical complexity and likelihood of being ready on time.

	Option 1	Option 2	Option 3	Option 4	Option 5
Category	Defer to the Federal Exchange	Regional Exchange	Build on Existing Arizona Resources	Borrow from Other States	Build New System from Scratch
State Costs Estimates	\$746,504	\$1,007,689	\$1,254,904	\$1,431,052	\$4,293,156
Contractual Cost Estimates	\$8,871,000	\$21,871,000	\$19,973,000	\$20,150,000	\$120,000,000
Total Estimated Costs	\$9,617,504	\$22,878,689	\$21,227,904	\$21,581,052	\$124,293,156
Meet ACA Timeline	Likely	Not Likely	Moderately Likely	Not Likely	Least Likely
Risks	Moderate	High	Lowest	Moderate	High

AHCCCS, Department of Economic Security and the Department of Insurance are currently verifying the cost estimates and determining how much of these costs will be cost allocated to Medicaid and which costs will be allocated to the Exchange. Because it appears that Option 3, building upon Arizona's Health e Arizona platform is the best approach, another IT consultant

has been retained to verify the assumptions, recommendations and methodology used in the Gap Analysis. The verification is expected to be completed by the end of July.

Meetings have been conducted with various vendors to view demonstrations of what options for the individual and SHOP Exchanges are available on the current market. Linda Skinner is working on a Request for Information to gather additional information in a more structure and formalized process. The IT Gap Analysis and the results of the RFI will form the basis for the future Request for Proposal that will be issued in 2012.

An internal leadership team consisting of representatives from AHCCCS, the Department of Economic Security, the Department of Insurance, the Governor's Office and Social Interest Solutions has been formed to focus on the developing the requirements and procedures for the IT infrastructure that will form the heart of the Exchange. Several work groups or committees will be formed to work on specific aspects such as procurement, call center, financing and governance.

Stakeholders have been involved in the development of the IT Gap Analysis. As the project moves forward, stakeholders will be included in the RFP process and in determining if the website is user friendly.

- **Business Operations**

Business operations have been divided into three basic functions: IT infrastructure, plan management and public education and outreach. Public education, outreach and marketing of the Exchange will begin in the fourth quarter of 2011.

The IT infrastructure functions including website, call center, eligibility determination and enrolment into public and commercial insurance programs, tax credits and cost sharing subsidies and other technological requirements are being addressed by the IT Gap Analysis and the upcoming RFI. These functions will be built into the IT infrastructure that will part of the upgrades to the Health e Arizona platform and the individual and SHOP exchange vendor that is selected.

The Department of Insurance has taken the lead in research the requirements, existing resources and procedures for the plan management functions such as certification, recertification and decertification, quality rating system, risk adjustment and transitional reinsurance. The Department retained Mercer Government Human Services Consulting to conduct the gap analysis. Included in this project were the core areas of insurance market reform, individual and small business assistance, consumer complaints and grievances, navigators and program integration.

The gap analysis looked at what existing resources and procedures could be adapted for use by the Exchange, establish a timeline for moving forward and the resources needed if the Department is to perform the plan management functions. The gap analysis is on the Exchange website: <http://www.azgovernor.gov/hix> and has been shared with CCHIO. The gap analysis breaks the resources needed down by core area and by category. In total the estimated resources needed for the next year are:

**STATE PLANNING AND ESTABLISHMENT GRANTS FOR THE AFFORDABLE CARE ACT'S EXCHANGES
REPORTING TEMPLATES**

OMB #0938-1101

	Description	Estimated Funding Required
Staffing	Estimated Total Staffing needs, includes both new staff and allocation of existing staff	\$563,511
Consulting	Estimated Total Consulting needs, includes both plan management and IT	\$915,000
Hardware/Software	Estimated Total includes IT and phone system upgrades	\$350,000
Total		\$1,828,511

The Department of Insurance is verifying the numbers. The Exchange would sign an Interagency Service Agreement with the Department for the total amount to perform the next steps of developing and implementing the plan management requirements.

• **Regulatory or Policy Actions**

There were two bills establishing an Arizona based Exchange introduced in the most recent legislative session. While a public hearing was held on HB 2666, neither bill passed the Legislature. There is significant political opposition to any legislation that implements any portion of the Affordable Care Act from conservative legislators and conservative interest groups.

A Joint House and Senate Health Committee hearing was held in June on the status of the Exchange planning. Don Hughes, Governor's Office testified before the Joint Committee on the planning activities undertaken and next steps. There will likely be additional hearings on the Exchange in the future.

Barriers, Lessons Learned, and Recommendations to the Program

Please report on any issues or problems that have impacted the development and implementation of the project during the reporting period. Detail what impact any issues may have on the achievement of project targets, and set out how you plan to tackle these issues.

The delay in the release of the upcoming rules package has had an impact on planning and implementation activities. Many stakeholders have been hesitant to delve too deeply into a number of operational issues and reluctant to make design decisions until the new rules are released. Depending upon the release of the rules package and the specifics contained in that package, implementation may be either delayed or decisions made without input from some stakeholders. The timeline for implementation does not allow for delays.

Also provide any lessons that you have learned during this quarter that you think would be helpful to share with other states as well as any recommendations you have for the program.

Technical Assistance

Please describe in detail any technical assistance needs you have identified through your planning activities. Please be as specific as possible about the kind of assistance needed and the topic areas you need to address. Discuss any plans you have for securing such assistance.

Arizona's planning work has identified a number of issues that need technical assistance from CCIIO. We have raised these issues with our program officer. Additionally, the upcoming rules package may answer many of these issues. Internal staff at AHCCCS, Department of Insurance and the Governor's Office will be reviewing the rules package to determine the impact on Arizona's planning and implementation activities. We will also review for any gaps where we need more specific technical assistance or guidance from CCIIO.

Specific Technical Assistance Needs Include:

- **Risk Adjustment Program.** States are required to establish a risk adjustment program to prevent adverse selection and to even out the market. To ensure that Arizona health plans are not required to respond to a uniquely Arizona risk model, will CCIIO develop a national model that states can use? Can establishment grant money be used for creation of model, data reporting and verification of risk scores developed by qualified health plans?
- **Transitional Reinsurance.** Arizona is required under the ACA to either create or contract with a not-for-profit entity to perform the reinsurance program. Because of the political issues concerning implementation of the ACA discussed above, legislation creating such an entity is not possible. We are not aware of any existing not-for-profit entities who are qualify to run a reinsurance program to contract with. We will need technical assistance in finding an entity to contract with.
- **Tribal Issues.** Arizona has 22 federally recognized tribes. Tribal members live and receive health care services on and off reservation. Will Indian Health Service clinics and hospitals and 638 clinics be included in the definition of essential community provider? Will tribal governments be allowed to use non-IHS money to enrol tribal members in qualified health plans through the Exchange?
- **Dental Plans Qualifications.** The ACA requires stand alone dental plans to be offered as an option on the Exchange. However the ACA does not specify the requirements for dental plans as it does for qualified health plans. Will the upcoming rules package provide those requirements and provide guidance on the certification process for standalone dental plans?
- **Navigators.** Arizona is beginning to develop the qualifications, duties and other requirements for its navigator program. Since establishment grant funds cannot be used to pay for navigator grants in 2013 or 2014, and the ongoing budget crisis, it is unclear how Arizona will be able to fund navigator grants before the initial open enrolment period.

Draft Exchange Budget

In order to understand state budgetary requirements moving forward, we ask that you provide a draft budget to the extent possible for Federal fiscal years 2011 through 2014. You may specify functional areas as you deem appropriate based on the types of costs you anticipate incurring. Examples of possible functional areas include personnel, other overhead, IT and systems costs, and other operational costs. When developing IT and systems cost estimates, please ensure that you separate costs for updating Medicaid systems from costs for Exchange systems.

**STATE PLANNING AND ESTABLISHMENT GRANTS FOR THE AFFORDABLE CARE ACT'S EXCHANGES
REPORTING TEMPLATES**

OMB #0938-1101

Function	FFY 2011	FFY 2012	FFY 2013	FFY 2014
See Attached Budget Document.				

Arizona's planning activities continues to refine the resource needs for establishing a fully functional Exchange that will comply with the ACA requirements. The attached budget represents initial estimates based upon the IT Gap Analysis, Plan Management Gap Analysis and estimates drawn from other states. The costs for AHCCCS and the Department of Economic Security will be split between Medicaid and Exchange related work in the fourth quarter report and in the establishment grant application. Medicaid costs will be allocated to AHCCCS and funded through the CMS 90/10 grant.

Work Plan

We ask that you begin working on a draft work plan for your Exchanges that will carry your planning and implementation efforts through January 1, 2014. On a quarterly basis, we would like to see your progress in developing this plan. We would like you to provide key objectives for implementing your exchange and corresponding milestones under each of these objectives. For your first quarterly report, please provide two milestones under each core area. In your second report, please provide four milestones. For your third report and the final report, we expect your work plan to be as comprehensive as possible.

For each milestone, please provide the following:

- **Name of milestone:**
- **Timing:**
- **Description:**

States may be creating their own work plan and/or timeline format. Please ensure that you provide the required number of milestones and that your plan goes through January 1, 2014.

The Planning and Establishment work plan has been updated and attached. The work plan and timeline include priority activity needed to have the Exchange ready for the initial open enrolment period in the third quarter of 2013.

Collaborations/Partnerships

Report on who you are working with outside of your office or department, and any changes or issues in your institutional context and/or any progress or issues with your project partners (where applicable).

- **Name of Partner: Arizona Healthcare Cost Containment System**
- **Organizational Type of Partner:**
 - Health Department
 - Federally Qualified Health Center
 - Health Maintenance Organization
 - Hospital
 - Private Insurance
 - Employer
 - Employer Group
 - Other (Please specify) State Medicaid Agency
- **Role of Partner in Establishing Insurance Exchange:** AHCCCS is reviewing current eligibility and enrolment functions and determining what changes will be required under the Exchange. AHCCCS staff is working with the Exchange staff to ensure that the Exchange website and IT infrastructure can accommodate the Medicaid expansion and other requirements of the ACA. This will ensure qualified applicants will be able to access all public programs under a no wrong door policy through the Exchange.
- **Accomplishments of Partnership:** The IT Gap Analysis has been completed. The report has been distributed to CCIIO and is available on the Exchange website. The Analysis provides the basic roadmap for Arizona to follow in creating a state based Exchange.
- **Barriers/Challenges of Partnership:** None to date
- **Name of Partner: Arizona Department of Insurance**
- **Organizational Type of Partner:**
 - Health Department
 - Federally Qualified Health Center
 - Health Maintenance Organization
 - Hospital
 - Private Insurance
 - Employer
 - Employer Group
 - Other (Please specify) State Insurance Regulator
- **Role of Partner in Establishing Insurance Exchange:** Review ADOI's procedures and resources in regulating the insurance industry and determine what can leveraged or adapted for use in establishing an Exchange and in performing the plan management functions. ADOI will provide technical expertise, research, data analysis and policy support on Exchange core areas as needed.
- **Accomplishments of Partnership:** ADOI has completed the plan management gap analysis which will provide a roadmap for moving forward with the Exchange core areas of certification, decertification and recertification, quality rating system, risk adjustment, transitional reinsurance, navigators, insurance market reform, consumer assistance and complaints and coverage appeals.
- **Barriers/Challenges of Partnership:** None to date.

STATE PLANNING AND ESTABLISHMENT GRANTS FOR THE AFFORDABLE CARE ACT'S EXCHANGES
REPORTING TEMPLATES

OMB #0938-1101

- **Name of Partner: Governor's Office of Health Information Exchange**
 - **Organizational Type of Partner:**
 - Health Department
 - Federally Qualified Health Center
 - Health Maintenance Organization
 - Hospital
 - Private Insurance
 - Employer
 - Employer Group
 - Other (Please specify) Health Information Exchange grantee
 - **Role of Partner in Establishing Insurance Exchange:** The HIE project will provide technical expertise in the development and evaluation of the health insurance exchange IT infrastructure and website.
 - **Accomplishments of Partnership:** The HIE project is developing core services such as a provider directory that could be incorporated into the HIX project to make it easier for people to shop, compare and purchase health insurance through the Exchange website.
 - **Barriers/Challenges of Partnership:** None to date
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- **Name of Partner: Arizona Department of Economic Security**
 - **Organizational Type of Partner:**
 - Health Department
 - Federally Qualified Health Center
 - Health Maintenance Organization
 - Hospital
 - Private Insurance
 - Employer
 - Employer Group
 - Other (Please specify) State Social Service Agency
 - **Role of Partner in Establishing Insurance Exchange:** The Department of Economic Security is involved in the eligibility and enrolment functions into Arizona's Medicaid programs. Additionally, the agency is responsible for operation of the food stamp, cash assistance and other public programs. They are involved in the IT infrastructure portion of the Exchange and will need to upgrade their computer systems for Arizona to comply with the no wrong door policy.
 - **Accomplishments of Partnership:** The agency has been instrumental in working with AHCCCS and Social Interest Solutions on the IT Gap Analysis and the design of the website.
 - **Barriers/Challenges of Partnership:** None to date

- **Name of Partner: Inter Tribal Council of Arizona**
 - **Organizational Type of Partner:**
 - Health Department
 - Federally Qualified Health Center
 - Health Maintenance Organization
 - Hospital
 - Private Insurance
 - Employer
 - Employer Group
 - Other (Please specify) Trade Association representing Arizona's tribal governments
 - **Role of Partner in Establishing Insurance Exchange:** The Inter Tribal Council of Arizona is coordinating the tribal work group which consists of the 22 federally recognized tribes in Arizona. The work group provides a forum for the tribes to raise issues specific to tribal health care needs both on and off reservation.
 - **Accomplishments of Partnership:** The work group is developing a public education and outreach campaign to educate tribal governments, employers on the reservation and tribal members about the Exchange.
 - **Barriers/Challenges of Partnership:** None to date.
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- **Name of Partner: Carrier Work Group**
 - **Organizational Type of Partner:**
 - Health Department
 - Federally Qualified Health Center
 - Health Maintenance Organization
 - Hospital
 - Private Insurance
 - Employer
 - Employer Group
 - Other (Please specify) Stakeholder group of insurance carriers
 - **Role of Partner in Establishing Insurance Exchange:** As part of the stakeholder consultation process, Arizona formed a Carrier Work Group to formalize input from the largest health plans in Arizona and their national trade association. This work group is lead by the Department of Insurance and includes representatives from Aetna, AHIP, Blue Cross Blue Shield of Arizona, CIGNA, Health Net and United Healthcare. The work group will address plan management issues as a way to get buy in to participate in the Exchange.
 - **Accomplishments of Partnership:** Two meetings have been held and a third is planned for late July. The work group will focus its initial work on the certification process, quality rating system, risk adjustment and transitional reinsurance.
 - **Barriers/Challenges of Partnership:** None to date.

- **Name of Partner: Producer Work Group**
- **Organizational Type of Partner:**
- **Name of Partner:**
- **Organizational Type of Partner:**
 - Health Department
 - Federally Qualified Health Center
 - Health Maintenance Organization
 - Hospital
 - Private Insurance
 - Employer
 - Employer Group
 - Other (Please specify) Stakeholder group of insurance agents and brokers
- **Role of Partner in Establishing Insurance Exchange:** As part of the stakeholder consultation process, Arizona formed a Producer Work Group to formalize input from the broker community. The work group is lead by the Department of Insurance and consists of 20-25 brokers who actively write health insurance in the individual and small group markets. Members include brokers from throughout Arizona to ensure a state wide perspective. The first meeting has been held and a second meeting is scheduled for late July. The work group will discuss and provide recommendations for design and operational issues that directly impact insurance brokers.
- **Accomplishments of Partnership:** The work group has raised a number of issues that will need to be addressed to ensure that brokers will actively participate in the Exchange. Their initial concerns and comments are included in the plan management report prepared by Mercer.
- **Barriers/Challenges of Partnership:** None to date.

**Final Project Report
Due 11/15/2011**

Project Detail

Succinctly summarize the project and what was accomplished during the entire grant period, highlighting anything that has not been reported since your last interim progress report for each of the core areas.

As succinctly as possible, summarize major opportunities, obstacles, challenges, and any changes in the project or your organization that have you encountered over the grant period. For each core area, please provide a description of the decisions that were made through your planning process. Some additional suggestions for information to include are below.

Core Areas

- **Background Research.** Please provide a summary of the research you conducted, key findings, and plans that resulted from this research.
- **Stakeholder Involvement.** Please provide an accounting of all stakeholder involvement that took place during the project period including a listing of the stakeholders you consulted. Please also include lessons learned from these consultations.

STATE PLANNING AND ESTABLISHMENT GRANTS FOR THE AFFORDABLE CARE ACT'S EXCHANGES
REPORTING TEMPLATES

OMB #0938-1101

- **Program Integration.** Please provide a description of the activities you undertook to coordinate with Medicaid and other public programs in your state, the outcomes of these conversations, and any barriers you face or have overcome.
- **Resources & Capabilities.** This core area should be addressed through your needs assessment.
- **Governance.** If you have reached a decision on the governance structure for your Exchange, please provide a description here. If not, please report on your progress in this area.
- **Finance.** Please describe any activities you undertook in terms of planning for financial management, prevention of fraud and abuse, and annual auditing.
- **Technical Infrastructure.** Please provide any relevant information that you did not provide in your needs assessment.
- **Business Operations.** Please provide information on any decisions you made in the areas of eligibility determinations, plan qualification, plan bidding, application of quality rating systems and rate justification, administration of premium tax credits and cost-sharing assistance, and risk adjustment.
- **Regulatory or Policy Actions.** Please describe the enabling legislation you plan to seek and any challenges or barriers you have faced in this regard. If possible, attach your enabling legislation.

Needs Assessment

Please provide a detailed needs assessment that includes:

- A budget of projected funding needs through Federal Fiscal Year 2014
- An accounting of number of personnel needed
- A list and description of contracts you plan to award and when you plan to do so (if available)
- An assessment of the information technology builds and systems changes required to establish an operational Exchange

Function	FFY 2011	FFY 2012	FFY 2013	FFY 2014

Technical Assistance

As succinctly as possible, summarize the technical assistance that you will require in order to develop and establish an Exchange. Be sure to highlight anything that has not been reported since your last interim progress report. Please rank in order of priority/need with one being the most crucial assistance. Discuss any plans you have for securing such assistance.

Final Project Work Plan

Please provide a draft work plan that includes goals, objectives, responsible parties, costs, timeframes, and milestones for each year through January 1, 2014. For each core area of work, either those defined above or a different designation of core functional areas viewed as more useful by your state, provide key objectives and milestones for carrying out the establishment of an Exchange. We want to know how you plan to get to 2014 and the steps that you plan to take along the way. We would also like to know how you are monitoring progress toward these milestones. Please refer to the framework for listing milestones that was provided in the quarterly report template.

Final Evaluation Report

Please provide an evaluation plan to include a detailed description of data collection activities and analyses, from which the State will evaluate the progress of your Exchange in meeting your goals and the goals of the Exchange as articulated by the federal government. Please provide information on the performance measures you intend to track.

Exchange Deliverables

Submit copies of any deliverables (plans, documentation of planning activities, etc.), public recognition, press releases, or new articles that are pertinent to this project and that were received since the last progress report, if any.

Public Report

Grantees are required to prominently post progress reports about their planning grants on their respective Internet websites to ensure that the public has information on the use of funds. The Public Report must be compliant with Section 508 (see <http://www.section508.gov/> for more information). The required public report includes, but is not limited to:

1. Project Summary – an overview of the grantee's activities, both planned and accomplished
2. Stakeholder Involvement – an outline of any and all opportunities for involvement to the residents of the State and other pertinent stakeholders. This includes any discussions regarding the Exchanges such as public hearings, town hall meetings, etc.
3. Budget – the total amount of the grant award and the broad budgetary categories of the award.
4. Deliverables – all press releases, news articles, public recognition, and any other documentation allowed by law for public disclosure.

In addition, it is the grantees discretion to publicly disclose any and all information in the quarterly and/or final project reports.

Reference – Core Areas

- **Background Research** – May include research to determine the number of uninsured in the State including, but not limited to, those potentially eligible for the Exchange, and those eligible for Medicaid or their employer's coverage and currently not enrolled.
- **Stakeholder Involvement** – May include a list of the stakeholders within the State who will be involved in the State's decision about whether to operate the Exchange and planning/implementation of the Exchange, including the role proposed for each stakeholder as well as agreements with those stakeholders that may be in place at this time. Developing stakeholder involvement may include a plan to gain public awareness and commitment of key stakeholders through task forces and activities in various venues to obtain stakeholders' input.
- **Program Integration** – May include a description of how an Exchange will build on existing State and Federal programs such as Medicaid and CHIP. This may also include current State activities similar to an Exchange.
- **Resources and Capabilities** – May include an assessment of current and future staff levels, contracting capabilities and needs, and information technology.
- **Governance** – May include planning for a State-run Exchange or an Exchange run by an independent entity. If an Exchange is expected to be State-run, planning could include determinations of where the Exchange would reside, what the governing structure would be, and to what departments or officials it would be accountable. If an Exchange is expected to be established through an independent entity, planning could include the development of the governance structure, appointment process, conflict of interest rules, and mechanisms of accountability. If the State is planning to coordinate with other States for a regional Exchange, activities relating to coordination with other States to establish an Exchange, determine markets, and ensure licensure and consumer protections could be developed.
- **Finance** – May include pathways to developing accounting and auditing standards, mechanisms of transparency to the public, and procedures to facilitate reporting to the Secretary.
- **Technical Infrastructure** – May include the planning for a web portal and/or a call center to meet the increased need for consumer education, the coordination of Medicaid and Exchange-related activities, and the integration of Health Information Exchange standards for program interoperability.
- **Business Operations** – May include plans for eligibility determinations, plan qualification, plan bidding, application of quality rating systems and rate justification, administration of premium credits and cost-sharing assistance, and risk adjustment.
- **Regulatory or Policy Actions** – May include a determination of the scope and detail of enabling legislation and implementing State regulations.